

# Global Weekly Flash

Madrid, 8 November 2013  
Economic Analysis

Financial Scenarios

**Cristina Varela Donoso**

cvara@bbva.com  
+34 91 537 78 25

**María Martínez Álvarez**

maria.martinez.alvarez@bbva.com  
+34 91 537 66 83

**Alejandro Neut**

robertoalejandro.neut@bbva.com

**Jaime Costero**

jaimе.costero@bbva.com  
+34 91 537 76 80

Indicators collaboration:

Europe

**Agustín García**

agustin.garcia@bbva.com  
+34 91 374 79 38

US

**Kim Fraser**

Kim.Fraser@bbvacompass.com  
+1 713 881 0655

Asia

**Fielding Chen**

fielding.chen@bbva.com.hk  
+852 2582 3297

## The ECB's unexpected move and expectations of early tapering rattle markets

- **The ECB surprised markets by cutting its main policy rate by 25 bps to a record-low 0.25%**

- In order to justify the rate cut, the ECB's statement and Mr Draghi's words put a strong emphasis on the surprise in October's inflation, which fell from 1.1% to 0.7% (BBVA Research: 0.9%, Consensus: 1.1%). The decision was also justified in terms of the ECB's strong commitment to its (light) forward guidance back in July. Mr Draghi said that the downward bias on the key ECB rates was retained by unanimity, while stressing that rates "haven't reached the zero bound" and could "go lower". Regarding non standard measures, the GC decided to extend the fixed-rate full allotment liquidity provision until 2015.

- **Markets volatility has increased after the ECB's unexpected cut and positive US economic outturns**

- Markets had remained quiet until Thursday, day when the volatility index (VIX) increased by 9.6% (+3.92% over the week). Additionally, debt markets started registering losses across the board, especially in Latin America (yields for the Mexican and Brazilian 10Y rose over the week by 20bps and 47bps, respectively). In core countries, 10Y yields also rose: Germany (+8.3bps), France (+7.9bps) and the US (+13.9). 5Y bonds behaved similarly to 10Y bonds, nonetheless, 2Y yields rose by less (and even fell in the case of Spain and Italy). In currency markets, positive US macro data boosted the USD, which is closing higher (DXY+0.8%) against its major peers. The USD appreciation vis-a-vis the EUR (1%) has been magnified by the ECB's unexpected rate cut. In emerging countries, currencies have depreciated, led by the Brazilian Real (-3.4%), the Mexican Peso (MXN -1.6%) and the Turkish Lira (-1.4%).

In equity markets, European stocks closed the week in red, led by the Italian MIB and the Spanish IBEX (with both losing a 1.3%). In the US, the S&P is currently 0.5% down. Asia also closed lower, led by India (-2.3%) and Japan (-1.7%). In commodity markets, gold prices are closing the week lower (-2.35%), mostly due to a drop in value after the US job report on Friday.

- **US Economic indicators improved, increasing market anxiety about an early start of the Fed tapering**
  - Total nonfarm payroll employment increased by 204,000 in October, exceeding consensus expectations (BBVA: 135,000, consensus: 120,000), while the unemployment rate was little changed at 7.3 percent. Moreover, figures for September were revised upwards to +163,000 (from a previous +148,000). US GDP growth in 3Q13 surprised to the upside (2.8%, BBVA Research 2.3%, consensus: 2%, previous: 2.5%), but consumption growth decelerated. Most of the increase in growth was due to the continued strength of domestic investment – with growth of residential investment holding steady (just above 14%) and growth of nonresidential structures only slightly slower than in 2Q13 (12.3%). However, growth of personal consumption decelerated (to 1.5% from 1.8%). The contribution from net exports was positive for the first time in three quarters while government spending increased a mere 0.2%. In October, manufacturing and services confidence measures grew at a healthy pace while ISM Non-Manufacturing rose more than expected (in line with the behavior of ISM manufacturing published last week).
  
- **In the Eurozone, confidence leads the recovery, but activity is still lagging**
  - Hard data revealed only timid improvements: retail sales in the eurozone decreased in September, following a downwardly revised August data that add up to a slight increase in 3Q13 retail sales (in line with our baseline scenario of a larger contribution of domestic demand to GDP growth in the last part of the year). Similarly, Germany's industrial production disappointed in September after growing at a strong pace in August. On the other hand, economic indicators published this week suggest that manufacturing activity has continued to expand. The eurozone's final PMI composite decreased in October, yet it ended higher than its earlier flash reading (and above the 50 threshold, which indicates that economic activity has kept growing, mainly driven by the manufacturing sector).

The European Commission published their autumn forecast, which keeps a 0.4% GDP contraction for the eurozone in 2013 but reduces to 1.1% its GDP growth for 2014. They confirmed that the economy has returned to a positive growth path, which will be gradually more domestic-demand driven. Nonetheless, they recognized that growth will be subdued, as high deleverage, financial fragmentation, uncertainty and rebalancing weigh on credit growth. The European commission also pointed out that divergence between countries would persist. Germany and Austria would be emerging at a strong pace while others core countries, such as the Netherlands, would be facing subdued growth. For Italy and Spain, the EU Commission expects slightly positive growth next year (although they lowered Spain's 2014 GDP growth by four tenths to 0.5%).
  
- **China's PMI readings point to continued growth momentum in 4Q13**
  - Official manufacturing PMI for October, released last Friday, rose more than expected. Furthermore, the official services PMI, released yesterday, show an even stronger pick up in October (56.3, previous: 55.4). The HSBC PMI Services index also increased slightly in October. Premier Li Keqiang says that China needs a 7.2% growth to keep urban unemployment at around 4%, setting 7% growth as the bottom line. This weekend starts the Third Plenary meeting, where the government will set the blueprint for its next set of economic policies.
  
- **Economic indicators suggest lower growth in Latin American countries**
  - Mexico's manufacturing confidence index in October was a negative surprise. Meanwhile, consumer confidence also faded in October. Furthermore, in its quarterly inflation report Banxico lowered its GDP growth forecasts from the 2%-3% range to 0.9%-1.3% for 2013 (BBVAe: 1.2%) and from the 3.2%-4.2% range to 3.0-4.0% (BBVAe: 3.1%) for

2014. Banxico expects inflation to end the year at 3.5% (BBVAe: 3.43%) and to average 3.5% in 2014 (BBVAe: 3.8%). With regard to monetary policy, Banxico reiterated its intention to remain on hold on the back of its expectation of diminishing economic slack, while pointing out that the real interest rate is already close to zero. The inflation report reinforces our view that Banxico is likely to keep rates on hold for an extended period.

Elsewhere, in Brazil industrial production was lower than expected, in line with a moderating activity profile for 3Q13. In Chile September's activity expanded slightly less than in August 3.9% YoY, in line with our forecast (BBVAe: 3.9%, consensus: 4.1%) In Peru, the leading indicators suggested that GDP growth remained moderate in September. Meanwhile, the Peruvian inflation remained stable in October, in line with market expectations, but annual inflation stood at 3.0%, at the upper limit of the central bank's target range (2% +/- 1pp). The Central Bank, unexpectedly, cut rates but we do not see any additional cuts in the near future.

- **Next week, the eurozone financial ministers hold a new meeting**

- We expect them to discuss the exit strategies of the Irish and Spanish financial programs. While the "Troika" has published its last review of the Irish program (stating that implementation has been "steadfast"), comments from Irish officials suggest that they will not request a precautionary credit line once the program comes to an end this month. In our view, Ireland will end the year with a cash buffer large enough (around 14% of GDP) to face next year's maturities. According to ECB president Mario Draghi, Ireland's funding capacity has improved to the point that requesting a precautionary line might be useful but not a necessity. Such statement suggests that the ECB is not particularly worried with any of these two exit strategies.
- The focus of next week's meeting will probably be on the buildup of the banking union, key to improving confidence in eurozone banks and reducing fragmentation. Mr. Draghi urged the EU Council to have a joined approach regarding national backstops before the AQR is published. Consequently, the Eurogroup and the Ecofin meetings will try to reach an agreement on backstops to recapitalize banks, the ESM direct bank recapitalization and the Single Resolution Mechanism. The problem is that Germany is still forming a new government, thus any agreement may be delayed. In Germany, talks between Merkel's Christian Democratic Union (CDU) and the Social Democratic Party (SDP) are bearing fruits and both political parties are converging on issues such as the resolution authority. Nonetheless, a final agreement has not been reached: talks between the parties are to conclude by November 26 and the SDP will then put the deal to a vote by all members of the party on December 15. Thus there are chances but no certainty that a new government will be sworn in before the following EU council on December 19.

**Next week:** markets will focus on the Eurogroup and Ecofin meetings (November 14-15th). The US will release productivity and labor costs for 3Q13 with import/export prices and industrial production for October. The eurozone will publish the flash GDP for 3Q13 and the final estimate for October's harmonize price indices. In Asia, Japan will release the flash GDP for 3Q13.

## Weekly Indicators

Week October, 28 - October, 31

CC	Indicator	Period	Cons. E	Prior		Obs. *
United States	Factory Orders MoM	Sep	1.80%	-0.10%	↓	1.70%
	ISM Non-Manufacturing Index	Oct	54	54.4	↓	53.4
	GDP QoQ Annualized	3Q A	2.00%	2.50%	↑	2.80%
	Personal Consumption	3Q A	1.60%	1.80%	↓	1.50%
	GDP Price Index	3Q A	1.40%	0.60%	↑	1.90%
	Initial Jobless Claims ('000)	2-Nov	335	340	→	336
	Continuing Claims ('000)	26-Nov	2879	2881	↓	2868
	Consumer credit (USD Bn.)	Sept	12.2	13.63	↑	13.73
	Nonfarm Payrolls ('000)	Oct	125	148	↑	204
	Unemployment rate	Oct	7.3%	7.2%	→	7.3%
	Personal Income MoM	Sept	0.3%	0.4%	↑	0.50%
U. Michigan Consumer Sentiment	Oct	74.5	73.2	↓	72	
Eurozone	PMI Manufacturing	Oct F	51.3	51.3	→	51.3
	PMI Services	Oct F	50.9	50.9	↑	51.6
	PMI Composite	Oct F	51.5	51.5	↑	51.9
	Retail Sales MoM	Sep	-0.40%	0.70%	↓	-0.60%
France	PMI Manufacturing	Oct F	49.4	49.4	↑	49.1
	PMI Services	Oct F	50.2	50.2	↑	50.9
	Industrial Production MoM	Sep	0.10%	0.20%	↓	-0.50%
Germany	PMI Manufacturing	Oct F	51.5	51.5	↑	51.7
	PMI Services	Oct F	52.3	52.3	↑	52.9
	Factory Orders MoM	Sep	0.50%	-0.30%	↑	3.30%
	Industrial Production SA MoM	Sep	0.00%	1.40%	↓	-0.90%
	Exports SA MoM	Sep	0.40%	1.00%	↑	1.70%
Italy	PMI Manufacturing	Oct	51	50.8	↓	50.7
	PMI Services	Oct	51.2	52.7	↓	50.5
UK	PMI Construction	Oct	58.7	58.9	↑	59.4
	Halifax House Prices MoM	Oct	0.90%	0.30%	↓	0.70%
	PMI Services	Oct	60	60.3	↑	62.5
	Industrial Production MoM	Sep	0.6%	-1.1%	↑	0.9%
Japan	Monetary Base YoY	Oct	--	46.1%		45.8%
China	HSBC/Markit Services PMI	Oct	--	52.4		52.6
	Exports YoY	Oct	1.70%	-0.30%	↑	5.60%
	Imports YoY	Oct	7.40%	7.40%	↑	7.60%
Mexico	Consumer Confidence Index	Oct	92.8	94.1	↓	91.2
	CPI MoM	Oct	0.46%	0.38%	→	0.48%
Chile	Economic Activity YoY	Sep	4.15%	4.10%	↓	3.90%
Brazil	PMI Services	Oct	--	50.7		52.1
	IBGE Inflation IPCA MoM	Oct	0.60%	0.35%	→	0.57%

\* e. Forecast/ \* Magenta- Below consensus forecast. Green-Above consensus forecast. Yellow- In line consensus forecast.  
 Source: Bloomberg and BBVA Research

## Calendar: Indicators

### Eurozone: Flash GDP (3Q13, November 14<sup>th</sup>)

Forecast: 0.2% q/q	Consensus: 0.1% q/q	Previous: 0.3% q/q
--------------------	---------------------	--------------------

Our MICA-BBVA model suggests that the recovery continued at a relatively steady pace, and projects a quarterly GDP growth in the eurozone of +0.2% q/q. The moderation stems from the disappearance of some of the temporary factors that underpinned the rebound in activity observed in some core countries, especially France and Germany (inventories and investment in construction). Specifically, we estimate that GDP growth in Germany and France slowed down in 3Q13 to 0.4% q/q and 0.1% q/q (from 0.7% and 0.5%, respectively), while the peripheral countries could already have emerged from recession (Spain: +0.1% q/q) or become practically stagnant (Italy: -0.1%/0% q/q).

### Eurozone: HICP inflation (October, November 15<sup>th</sup>)

Forecast: 0.7% y/y	Consensus: 0.7% y/y	Previous: 1.1% y/y
--------------------	---------------------	--------------------

We expect headline inflation to be confirmed at 0.7% y/y in October, slowing from 1.1% y/y in September, more than previously projected (BBVA Research: 0.9% y/y; Consensus: 1.1% y/y). The decline in headline inflation should be mainly driven by a further drop in energy prices (-1.7% y/y) as well as more moderate growth in food prices (decelerating by -0.7pp to 1.9% y/y), as expected, but also by slowing inflation in services (by -0.2pp to 1.2% y/y), in contrast with our expectations of stabilization. Overall, the performance of the more volatile components (energy and fresh food) could explain around 0.2pp of the slowdown in headline inflation, while the remainder 0.2pp could be stemming from both lower growth in both services and processed food prices. As a result, core inflation is also likely to have declined to 1% y/y from 1.2% in September. Looking forward, the inflation is projected to increase slightly by year-end, remaining in the 1%-1.5% throughout the coming year.

### US: International Trade (September, November 14<sup>th</sup>)

Forecast: \$38.0B	Consensus: -\$39.0B	Previous: -\$38.8B
-------------------	---------------------	--------------------

The international trade balance was mostly unchanged in August as both export and import growth held flat for the month. Recent data for September hint at only minor improvements in both external and internal demand conditions. The global economy is very slowly gaining momentum, and various economic indicators suggest that new export orders have continued to increase throughout the past few months. On the domestic side, business and consumer demand remains hesitant, but we expect that conditions in September will be relatively healthy leading up to the government shutdown. October, on the other hand, will likely show signs of weakness in the trade report. Overall, we expect that both export and import growth will improve in September to close out the quarter on a positive note. The trade deficit in 3Q13 is on track to reach the lowest average level of the recovery period thus far.

### US: Industrial Production (October, November 15<sup>th</sup>)

Forecast: 0.3%	Consensus: 0.0%	Previous: 0.6%
----------------	-----------------	----------------

Industrial production has been on the rise throughout the past few months and we expect this trend to continue into 4Q13. However, the underlying details of the latest industrial production reports have been mixed, with manufacturing output decelerating and utilities output on the rise as the changing weather shifts consumer demand. Still, there is no reason to be overly pessimistic. Despite the government shutdown in October, many manufacturing and business indicators have noted continued gains in production for the month. Most importantly, the production component of the ISM Manufacturing Index has held near recovery highs throughout the past four months, and accelerating new orders suggest that this trend should continue in the short-term. While October was certainly not an encouraging month when accounting for the spillover from the shutdown, we do expect that industrial production will continue to increase, though at a slightly slower pace compared to September.

### Japan: preliminary Q3 GDP growth (November 14<sup>th</sup>)

Forecast: 2.4% q/q saar	Consensus: 1.6% q/q saar	Previous: 3.8% q/q saar
-------------------------	--------------------------	-------------------------

Japan's economy probably slowed in Q3 after the rapid pace in the first half of the year at around 4.0% saar for two consecutive quarters. While domestic demand appears to have remained strong, including an encouraging pickup in investment spending from Q2, external appears to have weakened temporarily, especially from within Asia and other emerging economies. Note, however, that Japan's preliminary GDP readings are often revised significantly due to updates to investment figures. We expect full-year growth in 2013 of 1.9%, boosted by aggressive fiscal and monetary stimulus under the first two "arrows" of Abenomics. We expect growth to slow in 2014, to 1.5%, with the outlook for the medium term heavily dependent on the success of the government in implementing structural reforms to raise potential growth, as envisaged in the "third arrow."

## Markets Data

			<b>Close</b>	<b>Weekly change</b>	<b>Monthly change</b>	<b>Annual change</b>
<b>Interest rates</b> (changes in bps)	<b>US</b>	3-month Libor rate	0.24	0	-1	-7
		2-yr yield	0.31	0	-5	5
		10-yr yield	2.74	12	8	114
	<b>EMU</b>	3-month Euribor rate	0.22	-1	-1	2
		2-yr yield	0.10	-2	-8	13
		10-yr yield	1.76	7	-5	41
<b>Exchange rates</b> (changes in %)	<b>Europe</b>	Dollar-Euro	1.336	-1.0	-1.2	5.0
		Pound-Euro	0.83	-1.4	-1.5	4.4
		Swiss Franc-Euro	1.23	0.1	0.1	2.2
	<b>America</b>	Argentina (peso-dollar)	5.96	0.6	2.4	24.8
		Brazil (real-dollar)	2.32	2.8	5.0	13.2
		Colombia (peso-dollar)	1923	1.0	1.6	5.9
		Chile (peso-dollar)	519	0.7	3.6	8.2
		Mexico (peso-dollar)	13.18	0.9	0.0	-0.1
		Peru (Nuevo sol-dollar)	2.80	0.9	0.4	7.2
	<b>Asia</b>	Japan (Yen-Dollar)	99.11	0.4	1.8	24.7
		Korea (KRW-Dollar)	1064.90	0.4	-1.1	-2.1
		Australia (AUD-Dollar)	0.938	-0.6	-0.7	-9.7
<b>Comm.</b> (chg %)	Brent oil (\$/b)	105.1	-0.8	-3.6	-3.9	
	Gold (\$/ounce)	1287.1	-2.2	-1.4	-25.7	
	Base metals	517.4	0.5	0.7	2.4	
<b>Stock markets</b> (changes in %)	<b>Euro</b>	Ibex 35	9747	-0.9	3.3	27.6
		EuroStoxx 50	3035	-0.6	4.5	22.4
	<b>America</b>	USA (S&P 500)	1765	0.2	6.6	27.9
		Argentina (Merval)	5302	4.1	7.2	121.8
		Brazil (Bovespa)	52249	-3.3	-0.6	-8.9
		Colombia (IGBC)	13538	-4.3	-4.0	-5.4
		Chile (IGPA)	18923	-1.7	1.6	-8.7
		Mexico (CPI)	39734	-3.3	-0.3	-2.3
		Peru (General Lima)	15871	-2.8	2.3	-24.6
	Venezuela (IBC)	2669902	2.2	51.0	624.9	
	<b>Asia</b>	Nikkei225	14087	-0.8	0.3	60.9
HIS		22744	-2.2	-1.3	6.4	
<b>Credit</b> (changes in bps)	<b>Ind.</b>	Itraxx Main	83	-1	-19	-49
		Itraxx Xover	340	-4	-61	-193
	<b>Sovereign risk</b>	CDS Germany	23	-1	-1	-11
		CDS Portugal	338	-32	-93	-257
		CDS Spain	166	-13	-47	-178
		CDS USA	30	0	-12	---
		CDS Emerging	288	10	-2	48
		CDS Argentina	1818	-48	-610	-153
		CDS Brazil	191	10	26	87
		CDS Colombia	129	1	2	30
		CDS Chile	86	4	1	6
		CDS Mexico	108	0	-7	8
		CDS Peru	134	2	-2	33

Source: Bloomberg and Datastream

## Weekly Publications

Country	Date	Description
Global	11/06/2013	➤ <b>Global Flash: "Global cycle: further advance in October, confirming modest recovery"</b> Global GDP grew at 0.7% q/q in 2Q13, while forecasts for 2H13 expand at similar pace
	11/06/2013	➤ <b>Global Economic Outlook. Fourth Quarter 2013</b> The global GDP growth will be higher since 2H13. The confidence improvement and the positive mood of financial markets depend on how the economic policies are implemented in the U.S., Europe and China (Spanish version)
EMU	11/07/2013	➤ <b>ECB Watch: A deliberate surprise</b> In an unexpected move, the ECB Governing Council (GC) decided to cut the main policy rate by 0.25% to 0.25%, a historic low, at yesterday's monetary policy meeting
	11/07/2013	➤ <b>Situación Europa. Cuarto trimestre 2013</b> La eurozona mejora incluida la periferia, pero está a la espera de continuar los avances de la unión bancaria
Spain	11/07/2013	➤ <b>Flash España: Producción Industrial en septiembre</b> La producción industrial corregida de estacionalidad y calendario (CVEC) evolucionó en septiembre mejor de lo que apuntaban las previsiones centrales.
	11/06/2013	➤ <b>Situación España. Cuarto trimestre 2013</b> El crecimiento mundial se acelerará en 2014. En España, se confirma la salida de la recesión y el escenario de moderada recuperación
	11/06/2013	➤ <b>Situación y perspectivas de la economía mundial y de España</b> El crecimiento mundial se acelerará en 2014. En España, se confirma la salida de la recesión y el escenario de moderada recuperación
	11/05/2013	➤ <b>Flash España: Registros laborales en octubre: creación de empleo y descenso del paro</b> Descontada la estacionalidad, se observa una reducción del paro acompañada por creación neta de empleo por primera vez desde el comienzo de la crisis.
	11/04/2013	➤ <b>Flash España: "El crecimiento de las matriculaciones de turismos de octubre y la renovación del PIVE presagian un 4T13 positivo"</b> Cuando se corrigen los datos brutos de la estacionalidad propia del mes, las estimaciones de BBVA Research indican que el número de turismos matriculados creció en octubre
US	11/07/2013	➤ <b>U.S. GDP Flash. 3Q13 Real GDP Surprises to the Upside at 2.8%</b> Real GDP growth in 3Q13 increased 2.8%, but consumption growth decelerated. Growth in nonresidential structures and residential investment held strong
	11/04/2013	➤ <b>U.S. Weekly Flash. FOMC Statement: Pace of Purchases Kept Unchanged Awaiting Better Data</b> The Fed's newly released statement did not contain any changes to the current monthly pace of the large scale asset purchases (LSAP). (Spanish version)
Latam	11/08/2013	➤ <b>Latam Daily Flash: In Peru CB surprised by cutting its MPR. Considering inflation's dynamics we adjust Selic forecast up in Brazil</b>
	11/07/2013	➤ <b>Latam Daily Flash: Banxico is likely to remain on hold in the foreseeable future</b>
	11/06/2013	➤ <b>Latam Daily Flash: Today the highlight will be Banxico's revised forecasts for growth in 2013 and 2014</b>
	11/05/2013	➤ <b>Latam Daily Flash: In Peru inflation remained stable while leading indicators suggested continued moderation in 3Q</b> Today Chile's monetary policy minutes and monthly activity index will be published.
	11/04/2013	➤ <b>Latam Daily Flash: Less of an industrial recovery than expected in September in Brazil</b> Lower than expected industrial figures in Brazil in September in line with a moderating activity profile for 3Q13.



- 11/02/2013 > **Financial inclusion in Latin America: Evidence for Mexico**  
Lecture given by David Tuesta at Latin American and Caribbean Economic Association (LACEA) and Latin American Meeting of the Econometric Society (LAMES) 2013 Annual Meetings  
(Spanish version)

## Mexico

- 11/07/2013 > **Mexico Inflation Flash. October's inflation**  
Headline: Actual: 0.48% YoY (BBVAe: 0.43%; consensus: 0.46%). Core: Actual: 0.19% MoM (BBVAe: 0.15%; consensus: 0.19%)  
(Spanish version)

## Chile

- 11/06/2013 > **Presentación Situación Chile Cuarto Trimestre 2013**  
En Chile el crecimiento ha dado muestras claras de desaceleración. Estimamos crecimiento del PIB de 4,2% y 4,0% para el 2013 y 2014, respectivamente.
- 11/06/2013 > **Situación Chile Cuarto Trimestre 2013**  
En Chile el crecimiento ha dado muestras claras de desaceleración. Estimamos crecimiento del PIB de 4,2% y 4,0% para el 2013 y 2014, respectivamente.
- 11/05/2013 > **Imacec de septiembre en 3,9% a/a y Minuta de la reunión pasada justifica tímidamente el recorte**  
Registro de Imacec se ubicó en 3,9% a/a impulsado por minería y comercio. Por otra parte, la Minuta de la RPM de octubre justifica recorte por baja inflación e incipiente desanclaje inflacionario.
- 11/05/2013 > **Observatorio Económico: Ejecución Presupuestaria al 3T13: Más ingreso y menos gasto**  
El déficit fiscal efectivo finalizaría en torno a 0,5% del PIB el 2013, mientras que el déficit fiscal estructural terminaría entre 0,5% y 0,8% del PIB, ambos menores al 1% proyectado por el Gobierno.
- 11/04/2013 > **Consumo, deuda y precio de la vivienda**  
Desde la perspectiva de la autoridad, las bajas en la tasa de política monetaria deben ser mirando de reojo la estabilidad financiera.

## Colombia

- 11/06/2013 > **Flash Colombia. Inflación de octubre sorprendió a la baja al caer 0,26% m/m y ubica la inflación anual (1,84% a/a) debajo del rango meta.**  
La inflación de octubre sorprendió a la baja (-0.26% m/m) y ubicó la inflación anual (1,84%) por debajo del rango meta del Banco de la República.

## Other

- 11/07/2013 > **Situación Uruguay Segundo Semestre 2013**  
Mantenemos nuestras estimaciones de crecimiento en 3,7% y 3,9% para 2013 y 2014 a pesar de las sorpresas positivas del 1S13

## Peru

- 11/07/2013 > **Flash Perú. Banco Central sorprendió con recorte de la tasa de referencia**  
En una decisión inesperada, el Banco Central redujo la tasa de referencia en 25 puntos básicos, llevándola a 4,0%.
- 11/07/2013 > **Presentación Situación Perú Cuarto Trimestre 2013**  
En Perú, el crecimiento del PIB será 5,3% este año y subirá a 5,6% en 2014.
- 11/07/2013 > **Situación Perú Cuarto Trimestre 2013**  
En Perú, el crecimiento del PIB será 5,3% este año y subirá a 5,6% en 2014.
- 11/04/2013 > **Flash Perú. Inflación de octubre en línea con lo esperado**  
El índice de precios al consumidor se mantuvo estable en octubre (0,0% m/m, igual que estimado de BBVA y Consenso).

## Emerging Mkts

- 11/03/2013 > **Emergentes: dilemas, pecados y refugios**  
Estas economías seguirán determinadas por los ciclos económicos y monetarios de las grandes potencias



---

**Asia**

- 11/08/2013 ➤ **Asia Flash | 08 Nov 2013: China posts better-than-expected exports, ahead of more data tomorrow; The Reserve Bank of Australia lowers growth outlook for 2014**  
Asian market declined today after stronger-than-expected GDP data in the US, which could mean earlier QE tapering.
- 11/07/2013 ➤ **Asia Flash | 07 Nov 2013: India issues more liberal rules for foreign banks; SandP affirms negative outlook on India; Taiwan signs free trade pact with Singapore**  
India issues more liberal rules for foreign banks; SP affirms negative outlook on India; Taiwan signs free trade pact with Singapore.
- 11/06/2013 ➤ **Asia Flash | 06 Nov 2013: Indonesian Q3 GDP slows after rate hikes and lower commodity prices; Australia keeps rates on hold as expected.**  
Indonesian Q3 GDP slows after rate hikes and lower commodity prices; Australia keeps rates on hold as expected.
- 11/04/2013 ➤ **Asia Flash | 04 Nov 2013: China PMI readings point to continued growth momentum in Q4; Korean exports surprise to the upside in October**  
A series of strong activity indicators released in recent days are cause for renewed optimism in Asia's growth momentum.
- 

Publications on November 8, 2013 to 13:05, Madrid time

**DISCLAIMER**

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance.

This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.